

COUNTY OF STANISLAUS

SINGLE AUDIT REPORT

JUNE 30, 2010

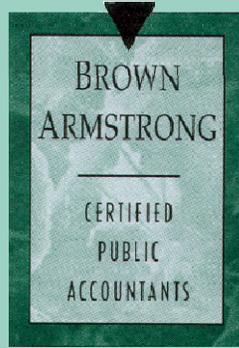
**COUNTY OF STANISLAUS
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2010**

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REPORTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California, (the County) as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

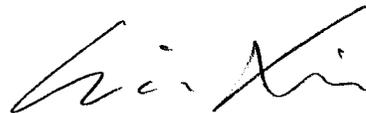
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs section as findings 10-01 and 10-02.

We noted certain matters that we reported to management of the County of Stanislaus, California, in a separate letter dated January 5, 2011.

The County of Stanislaus, California's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County of Stanislaus, California's response and, accordingly, we express no opinion on it

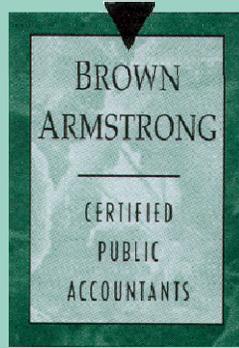
This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, Grand Jury, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to read "G. H. H.", is written over the printed name of the firm.

Bakersfield, California
January 5, 2011

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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Independent Auditor's Report

The Honorable Grand Jury and Board of Supervisors
Stanislaus County
Modesto, California

Compliance

We have audited the compliance of the County of Stanislaus, California, (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in items 10-01 and 10-02 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the Davis-Bacon Act that are applicable to its Highway Planning and Construction Program (CFDA No. 20.205) and eligibility that are applicable to its Foster Care (CFDA No. 93.658) Program. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to these programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the County of Stanislaus complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 10-01 and 10-02. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The County of Stanislaus, California's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County of Stanislaus, California's response and, accordingly, we express no opinion on it

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California, as of and for the year ended June 30, 2010, and have issued our report thereon dated January 5, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, Grand Jury, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



Bakersfield, California
January 5, 2011

SCHEDULE

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY			
Passed through Office of National Drug Control Policy (ONDCP):			
High Intensity Drug Traffic Area (HIDTA)	07.xxx	I6PCVP501	\$ 45,677
High Intensity Drug Traffic Area (HIDTA)	07.xxx	I7PCVP501	4,551
High Intensity Drug Traffic Area (HIDTA)	07.xxx	I8PCVP502Z	8,452
High Intensity Drug Traffic Area (HIDTA)	07.xxx	G09CV0002A	<u>53,868</u>
TOTAL U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY			<u>112,548</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through State Department of Food and Agriculture:			
Inspection, Grading, and Standardization	10.162	07-0092	<u>1,644</u>
Plant and Animal Disease, Pest Control, and Animal Care	10.025	Stanislaus	3,125
Plant and Animal Disease, Pest Control, and Animal Care	10.025	10-8520-1317-CA	31,081
Plant and Animal Disease, Pest Control, and Animal Care	10.025	09-8523-0572-CA	6,244
Plant and Animal Disease, Pest Control, and Animal Care	10.025	09-8520-0934-CA	94,980
Plant and Animal Disease, Pest Control, and Animal Care	10.025	09-8523-0497-CA	20,707
Plant and Animal Disease, Pest Control, and Animal Care	10.025	09-8500-0484-CA	273,712
Plant and Animal Disease, Pest Control, and Animal Care	10.025	10-8520-1164-CA	<u>9,670</u>
Total Plant and Animal Disease, Pest Control, and Animal Care			<u>439,519</u>
Passed through California Department of Aging:			
Seniors Farmers Market Incentive Program	10.576	SFMNP-0910-30	<u>15,000</u>
Passed through State Department of Education:			
National School Lunch Program	10.555	Stanislaus	<u>260,960</u>
Passed through California Department of Aging:			
SAWS CIV Food Stamps	10.561	*	1,057,631
EBT Transition Food Stamps	10.561	*	4,576
Passed through State Department of Social Services:			
Food Stamps - Administration	10.561	*	5,173,209
ARRA: Food Stamps - Administration	10.561	*	<u>166,802</u>
Total Food Stamps - Administration			<u>6,402,218</u>
Passed through State Department of Health Services:			
Special Supplemental Nutrition Program for WIC	10.557	08-85477	<u>2,635,815</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>9,755,156</u>
U.S. DEPARTMENT OF HUD			
Passed through State Department of Housing and Community Development:			
HUD-CDBG Funds	14.228	* B-05-UC-06-0010	42,731
HUD-CDBG Funds	14.228	* B-06-UC-06-0010	52,004
HUD-CDBG Funds	14.228	* B-07-UC-06-0010	882,807
HUD-CDBG Funds	14.228	* B-08-UC-06-0010	1,234,416
HUD-CDBG NSP Funds	14.228	* B-08-UC-06-0010	7,258,891
HUD-CDBG Funds	14.228	* B-09-UC-06-0100	1,037,237
HUD-CDBG HPRP Funds	14.228	* B-09-UC-06-0100	181,884
ARRA: HUD-CDBG-R Funds	14.255	* B-09-UC-06-0100	<u>401,762</u>
Total HUD-CDBG Cluster			<u>11,091,732</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF HUD			
Passed through State Department of Housing and Community Development (Continued):			
HUD-ESG Funds	14.231	S-08-UC-06-0010	1
HUD-ESG Funds	14.231	S-09-UC-06-0010	67,543
Total HUD-ESG Funds			<u>67,544</u>
TOTAL U.S. DEPARTMENT OF HUD			<u>11,159,276</u>
U.S. DEPARTMENT OF LABOR			
ARRA: IHSS COBRA	17.151	N/A	<u>11,110</u>
Passed through California Department of Aging:			
Senior Community Service Employment Program - Appropriation Act	17.235	AA-0910-30	8,580
Senior Community Service Employment Program	17.235	TV-0910-30	123,176
ARRA: Senior Community Service Employment Program	17.235	ES-0910-30	<u>32,561</u>
Total Senior Community Service Employment Program			<u>164,317</u>
Passed through California Employment Development Department:			
WIA-Adult Program	17.258	* K074178-201	499,773
WIA-Adult Program	17.258	* K074178-202	2,005,838
WIA-Adult Program	17.258	* R970574-202	472,221
ARRA: WIA-Adult Program	17.258	* R970574-102	1,026,973
WIA 15% Adult New Start Program	17.258	* R970574-442	29,776
ARRA: WIA Adult 15% CalGrip	17.258	* R970574-123	107,707
WIA-Youth Activities	17.259	* K074178-301	2,441,412
ARRA: WIA-Youth Bridges to Success	17.259	* K074178-148	53
WIA-Youth Activities	17.259	* R970574-301	653,202
WIA-Youth Activities	17.259	* R970574-103	2,301,103
WIA NEG Mortgage and Banks Layoff	17.260	* R970574-762	20,153
WIA NEG BRAC	17.260	* R970574-764	53,075
WIA-Dislocated Workers	17.260	* K074178-501	881,773
WIA-Dislocated Workers	17.260	* K074178-502	1,860,279
WIA-Dislocated Workers	17.260	* R970574-502	216,978
WIA-Dislocated Workers	17.260	* R970574-200	186,080
ARRA: WIA-Dislocated Workers	17.260	* R970574-105	1,596,390
WIA-Dislocated Worker to Adult	17.260	* K074178-500	78,827
WIA-15% Dislocated Workers	17.260	* R970574-429	41,925
WIA-25% Dislocated Workers	17.260	* R970574-306	14,265
WIA-NEG NUMMI Project	17.260	* K074178-768	13,497
WIA-Rapid Response	17.260	* R970574-540	80,596
WIA-Rapid Response	17.260	* R970574-541	156,330
ARRA: WIA Rapid Response Additional Assistance	17.260	* K074178-108	107,053
ARRA: WIA-Rapid Response	17.260	* R970574-106	<u>88,857</u>
Total WIA Cluster			<u>14,934,136</u>
TOTAL U.S. DEPARTMENT OF LABOR			<u>15,109,563</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through State Department of Transportation:			
Highway Planning and Construction	20.205	*	4,915,389
ARRA: Highway Planning and Construction CMAQ	20.205	*	68,678
Total Highway Planning and Construction			<u>4,984,067</u>
Highway Planning and Construction	20.301	Contract #75LX078	<u>317</u>
Rural Transit and Procurement (CMAQ)	20.509	647236	815,165
Rural Transit and Procurement	20.509	5311 FY 09.10	347,456
ARRA - Rural Transit and Procurement	20.509	SA# 649962	641
ARRA - Rural Transit and Procurement	20.509	SA# 649963	13,683
ARRA - Rural Transit and Procurement	20.509	SA# 649964	14,911
Total Rural Transit and Procurement			<u>1,191,856</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>6,176,240</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Passed through State Water Resources Control Board:			
Underground Injection Control Program (UICP)	66.606	EP099000196	<u>20,925</u>
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>20,925</u>
U.S. DEPARTMENT OF COMMERCE			
Passed through State of California Department of Homeland Security:			
Public Safety Interoperable Communications Grant Program	11.555	Stanislaus	<u>256,876</u>
TOTAL U.S. DEPARTMENT OF COMMERCE			<u>256,876</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through State of California Department of Homeland Security:			
Emergency Preparedness Performance Grant	97.042	2008-9	<u>141,756</u>
MMRS	97.071	2007-8	750
MMRS	97.071	2008-6	<u>176,523</u>
Total MMRS			<u>177,273</u>
Homeland Security Grant	97.073	2007-8	153,347
Homeland Security Grant	97.073	2008-6	599,592
Homeland Security Grant	97.073	Stanislaus	<u>132,725</u>
Total Homeland Security Grant			<u>885,664</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>1,204,693</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF JUSTICE			
Juvenile Drug Court Enhancement Grants	16.803	Z009010500	<u>338,738</u>
Victims of Crime Act	16.575	AT09060500	149,192
Passed through California Emergency Management Agency: Victims of Crime Act	16.575	VW09280500	<u>155,868</u>
Total Victims of Crime Act			<u>305,060</u>
Passed through California Emergency Management Agency: Juvenile Accountability Grant	16.523	Stanislaus	<u>213,035</u>
Weed and Seed Program	16.595	2008-WS-QX-0014	<u>1,888</u>
Elder Abuse Advocacy	16.582	EA09120500	<u>57,901</u>
ARRA: Victim/Witness Assistance Program	16.801	VS09010500	18,159
ARRA: Victim/Witness Assistance Program	16.801	RV09010500	<u>12,231</u>
Total ARRA: Victim/Witness Assistance Program			<u>30,390</u>
Passed through State Office of Justice :			
Edward Byrne Memorial Justice Assistance Grant	16.738	2007-DJ-BX-0571	13,739
Edward Byrne Memorial Justice Assistance Grant	16.738	2008-DJ-BX-0228	20,625
Edward Byrne Memorial Justice Assistance Grant	16.738	Stanislaus	32,153
Edward Byrne Memorial Justice Assistance Grant	16.738	Stanislaus	11,180
Edward Byrne Memorial Justice Assistance Grant	16.738	2009-DJ-BX-0232	<u>201,687</u>
Total Justice Assistance Grant			<u>279,384</u>
ARRA: Edward Byrne Justice Assistance Grant	16.804	2009-SB-B9-0405	<u>486,996</u>
Passed through the Community Oriented Policing Services: COPS Hiring Recovery Program (COPS CHRP)	16.710	2009RJWX0021	<u>280,224</u>
Passed through State Department of Social Services: Stop Abusive and Violent Environments (SAVE) Grant	16.588	Stanislaus	<u>99,715</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>2,093,331</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through California Department of Education:			
Stage 2 Child Care (D)	93.575	C2AP-9071	130,220
Stage 2 Child Care (D)	93.575	C2AP-8071	12,096
Stage 3 Child Care (D)	93.575	C3AP-8070	108,273
Stage 3 Child Care (D)	93.575	CAPP-9068	<u>1,050,749</u>
Total Child Care (D)			<u>1,301,338</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>		<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through State Department of Social Services:				
Temporary Assistance for Needy Families	93.558	*	Stanislaus	61,257,409
ARRA - ECF for Temporary Assistance for Needy Families State Program	93.714	*	Stanislaus	879,489
Passed through California Department of Aging:				
SAWS CIV TANF	93.558	*	Stanislaus	989,722
EBT Transition TANF	93.558	*	Stanislaus	4,264
Passed through State Department of Health Services:				
Temporary Assistance for Needy Families	93.558	*	05-45326	<u>209,310</u>
Total Temporary Assistance for Needy Families Cluster				<u>63,340,194</u>
Passed through State Department of Social Services:				
Promoting Safe and Stable Families	93.556		Stanislaus	<u>462,002</u>
Community Based Child Abuse Prevention	93.590		Stanislaus	<u>34,850</u>
Passed through State Department of Social Services:				
Child Support Enforcement	93.563	*	2708/2907/2711	9,020,912
ARRA: Child Support Enforcement	93.563	*	2708/2907/2711	<u>2,248,124</u>
Total Child Support Enforcement				<u>11,269,036</u>
Refugee and Entrant Assistance	93.566		Stanislaus	<u>691,510</u>
Child Welfare Services/CWS Direct Cost IVB	93.645		Stanislaus	<u>400,093</u>
Foster Care - Title IVE	93.658	*	Stanislaus	8,952,038
ARRA: Foster Care - Title IVE	93.658	*	Stanislaus	<u>297,496</u>
Total Foster Care - Title IVE				<u>9,249,534</u>
Adoptions Assistance	93.659	*	Stanislaus	5,373,159
ARRA: Adoptions Assistance	93.659	*	Stanislaus	<u>607,938</u>
Total Adoptions Assistance				<u>5,981,097</u>
CWS Title XX	93.667		Stanislaus	<u>416,900</u>
Independent Living - ILP	93.674		Stanislaus	<u>172,020</u>
Passed through State Department of Health Services:				
TB Prevention	93.116		Stanislaus	<u>27,435</u>
Family Planning Services Title X	93.217		Stanislaus	<u>169,723</u>
Immunization Project Subvention	93.268		09-11305	<u>217,623</u>
Childhood Lead Poisoning	93.917		08-85097	<u>71,668</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)			
Maternal and Child Health Services	93.994	2008-50	148,730
Maternal and Child Health Services	93.994	2009-50	<u>310,042</u>
Total Maternal and Child Health Services			<u>458,772</u>
Emergency Preparedness	93.069	EPO 09-50	<u>1,501,644</u>
Information and Education - Teen Pregnancy Prevention	93.xxx	03-75843	<u>13,503</u>
Refugee Health Assessment	93.566	09-50-9040-00	<u>184,512</u>
Refugee Preventive Health	93.576	09-50-90841-00	<u>25,862</u>
Passed through California Department of Aging:			
Title VII(B), Elder Abuse Prevention	93.041	AP-0910-30	<u>6,661</u>
Title VII(A), Ombudsman Program	93.042	AP-0910-30	<u>29,816</u>
Title III-D, Supportive Services	93.043	AP-0910-30	<u>27,050</u>
Title III-B, Supportive Services	93.044	AP-0910-30	384,861
Title III-C1, Congregate Nutrition	93.045	AP-0910-30	208,829
Title III-C2 Home Delivered Nutrition	93.045	AP-0910-30	421,646
Nutrition Services Incentive Program	93.053	AP-0910-30	130,260
ARRA: Home Delivered Meals	93.705	NS-0910-30	40,997
ARRA: Congregate Meals	93.707	NS-0910-30	<u>57,044</u>
Total Aging Cluster			<u>1,243,637</u>
Title III-E, Family Caregiver	93.052	AP-0910-30	<u>189,837</u>
Administration on Aging - MIPPA	93.071	MI-0910-30	<u>2,681</u>
CBSP Health Insurance Advocacy Program	93.779	MI-0910-30	6,051
CBSP Health Insurance Advocacy Program	93.779	HI-0910-30	<u>86,890</u>
Total CBSP Health Insurance Advocacy Program			<u>92,941</u>
Passed through State Department of Mental Health:			
AB3015 SAMHSA/DualDiag SAMHSA	93.958	Stanislaus	<u>2,756,654</u>
Transition from Homelessness(PATH)	93.150	Stanislaus	<u>152,171</u>
Passed through State of California Department of Alcohol and Drug Program:			
AIDS/HIV Testing	93.940	07-65089	<u>200,614</u>
AIDS/HIV Surveillance Program	93.944	07-65089	<u>57,900</u>
SAPT Block Grant	93.959	84.186	<u>2,709,711</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal assistance number</u>		<u>Supplemental identifying number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through State Department of Health Services:				
California Children's Services	93.778	*	Stanislaus	1,446,799
Medi-Cal Administration Activities	93.778	*	08-85137	583,063
Targeted Case Management	93.778	*	50-0712	1,069,499
Child Health and Disability Program	93.778	*	Stanislaus	562,376
Passed through California Department of Aging:				
SAWS CIV Medi-Cal	93.778	*	Stanislaus	1,602,635
Multi-Purpose Senior Services (MSSP) Title XIX	93.778	*	MS-0809-14	359,609
Passed through State Department of Social Services:				
APS/CSBG Title XIX	93.778	*	Stanislaus	453,891
CWS Title XIX	93.778	*	Stanislaus	1,231,460
State Family Preservation Title XIX	93.778	*	Stanislaus	59,755
State Family Preservation IVE	93.778	*	Stanislaus	26,114
In Home Supportive Services Title XIX - Administration	93.778	*	Stanislaus	1,995,433
Public Authority Administration	93.778	*	Stanislaus	477,979
Public Authority Benefits Administration	93.778	*	Stanislaus	1,616,809
ARRA: Public Authority Benefits Administration	93.778	*	Stanislaus	373,343
IHSS Waiver Title XIX	93.778	*	Stanislaus	1,745,086
IHSS IP Title XIX	93.778	*	Stanislaus	25,219,238
ARRA: IHSS IP Title XIX	93.778	*	Stanislaus	6,189,078
Medical Title XIX (D)	93.778	*	Stanislaus	10,028,622
Total Medical Assistance Program				<u>55,040,789</u>
TOTAL U.S. DEPARTMENT OF HUMAN AND HEALTH SERVICES:				<u>158,499,778</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 204,388,386</u>

* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1 – REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Stanislaus (the County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue Funds.

NOTE 4 – SUBRECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County of Stanislaus provided federal awards to subrecipients as follows:

Name of Program	CFDA	Subrecipient	Amount
Title I Adult	17.258	Friends Outside	\$ 168,106
Title I Dislocated Workers	17.260	Friends Outside	5,518
Title I Youth	17.259	Computer Tutor	442,594
Title I Youth	17.259	Central Valley Opportunity Center	161,350
Title I ARRA - Youth	17.259	Ceres Unified School District	394,689
Medi-Cal Administrative Activities	93.778	Ceres Partnership for Health Children	60,790
Medi-Cal Administrative Activities	93.778	Stanislaus County Public Guardian	19,447
Targeted Case Management	93.778	Stanislaus County Area Agency on Aging	19,516
Targeted Case Management	93.778	Stanislaus County Public Guardian	17,872
C2 Home Delivered Meals	93.045	The Howard Training Center	446,736
Community Development Block Grant	14.228	City of Ceres	267,376
Community Development Block Grant	14.228	City of Newman	252,742
Community Development Block Grant	14.228	City of Oakdale	215,074
Community Development Block Grant	14.228	City of Patterson	226,490
Community Development Block Grant	14.228	City of Waterford	240,027
Community Development Block Grant	14.228	Arc of Stanislaus County - Senior Meals	20,000
Community Development Block Grant	14.228	Catholic Charities	8,600
Community Development Block Grant	14.228	Center for Human Services - Family Support	8,589
Community Development Block Grant	14.228	Center for Human Services - Patterson Family	6,600

NOTE 4 – SUBRECIPIENTS (Continued)

<u>Name of Program</u>	<u>CFDA</u>	<u>Subrecipient</u>	<u>Amount</u>
Community Development Block Grant	14.228	Children's Crisis Center - Cricket's House	\$ 12,500
Community Development Block Grant	14.228	Children's Crisis Center - Nutrition and Education	20,000
Community Development Block Grant	14.228	Family Promise - Case Management	5,933
Community Development Block Grant	14.228	Habitat for Humanity - Windows of Hope	17,500
Community Development Block Grant	14.228	Healthy Aging - Young at Heart	20,000
Community Development Block Grant	14.228	Healthy Aging - Orville Wright	8,750
Community Development Block Grant	14.228	Second Harvest - Food Assistance	20,000
Community Development Block Grant	14.228	Stanislaus Literacy Center - English for All	7,300
Community Development Block Grant	14.228	United Samaritans - Daily Bread Mobile	20,000
Community Development Block Grant	14.228	We Care Program - Emergency Weather Shelter	20,000
Community Development Block Grant	14.228	Westside Food Pantry - Emergency Food	16,500
Community Development Block Grant	14.228	West Modesto Collaboration - Refresh Program	11,947
Community Development Block Grant	14.231	Children's Crisis Ctr - Therapeutic Shelter	17,606
Community Development Block Grant	14.231	Comm Housing & Shelter - Homeless Prev	65,816
Community Development Block Grant	14.231	Inter-Faith Ministries - Redwood Family Center	9,818
Community Development Block Grant	14.231	We Care Program - Emergency Winter Shelter	10,969
Total			<u>\$ 3,266,755</u>

NOTE 5 – PROGRAM CLUSTERS

Federal programs, which must be audited together as a program cluster, include the following:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>CDBG Cluster:</u>		
14.228	HUD - CDBG Funds	\$ 10,689,970
14.555	ARRA: HUD - CDBG Funds	401,762
	Total	<u>\$ 11,091,732</u>
<u>WIA Cluster:</u>		
17.258	WIA - Adult	\$ 3,007,608
17.258	ARRA: WIA - Adult	1,134,680
17.259	WIA - Youth	5,395,717
17.259	ARRA: WIA - Youth	53
17.260	WIA - Dislocated Workers	3,603,778
17.260	ARRA: WIA - Dislocated Workers	1,792,300
	Total	<u>\$ 14,934,136</u>

NOTE 5 – PROGRAM CLUSTERS (Continued)

Federal CFDA	Program Title	Federal Expenditures
<u>Aging Cluster:</u>		
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	\$ 384,861
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	630,475
93.053	Nutrition Services Incentive Program	130,260
93.705	ARRA: Home Delivered Meals	40,997
93.707	ARRA: Congregate Meals	57,044
	Total	<u>\$ 1,243,637</u>
<u>Temporary Assistance for Needy Families Cluster:</u>		
93.558	Temporary Assistance for Needy Families	\$ 62,460,705
93.714	ARRA - ECF for Temporary Assistance for Needy Families State Program	879,489
	Total	<u>\$ 63,340,194</u>

NOTE 6 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has either determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

NOTE 7 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

CFDA	Contract No.	Programs		Administration	
		Federal Expenditures	State Expenditures	Federal Expenditures	State Expenditures
17.235	AA-0910-30	\$ 8,580	\$ -	\$ -	\$ -
17.235	TV-0910-30	123,176	-	-	-
17.235	ES-0910-30	32,561	-	-	-
93.041	AP-0910-30	6,661	-	-	-
93.042	AP-0910-30	29,816	-	-	-
93.043	AP-0910-30	27,050	-	-	-
93.044	AP-0910-30	384,861	-	53,698	-
93.045	AP-0910-30	208,829	34,292	61,778	311
83.045	AP-0910-30	421,646	25,090	32,288	83
93.052	AP-0910-30	189,837	-	22,783	-
93.053	AP-0910-30	130,260	-	-	-
93.071	MI-0910-30	2,466	-	215	-
93.705	NS-0809-30	36,897	-	4,100	-
93.707	NS-0809-30	51,340	-	5,704	-
93.779	MI-0910-30	5,567	-	484	-
93.779	HI-0910-30	86,890	164,532	8,494	9,265
10.576	SFNP-0910-30	15,000	-	-	-
	Community Based Services Programs				
	AP-0910-30	-	79,453	-	8,600
	Ombudsman Initiative - AP-0910-30	-	44,000	-	-
	TOTAL	\$ 1,761,437	\$ 347,367	\$ 189,544	\$ 18,259

NOTE 8 – CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA) GRANTS

The following represents expenditures for CalEMA programs for the year ended June 30, 2010. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2009	For the Year Ended June 30, 2010	Cumulative as of June 30, 2010	Federal Share	State Share	County Share
	MH08080500 - CalMMET					
Personnel services	\$ -	\$ 445,587	\$ 445,587	\$ -	\$ 445,587	\$ -
Operating expenses	-	306,125	306,125	-	306,125	-
Equipment	-	159,610	159,610	-	159,610	-
Totals	\$ -	\$ 911,322	\$ 911,322	\$ -	\$ 911,322	\$ -

NOTE 8 – CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA) GRANTS (Continued)

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2009	For the Year Ended June 30, 2010	Cumulative as of June 30, 2010	Federal Share	State Share	County Share
<u>DC08190500 - SDEA</u>						
Personnel services	\$ -	\$ 123,076	\$ 123,076	\$ 123,076	\$ -	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 123,076</u>	<u>\$ 123,076</u>	<u>\$ 123,076</u>	<u>\$ -</u>	<u>\$ -</u>
<u>DC04150500 - Stanislaus Anti-Drug</u>						
Personnel services	\$ 183,376	\$ 103,069	\$ 286,445	\$ 36,848	\$ -	\$ 66,221
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 183,376</u>	<u>\$ 103,069</u>	<u>\$ 286,445</u>	<u>\$ 36,848</u>	<u>\$ -</u>	<u>\$ 66,221</u>
<u>RU08100500 - Rural Crimes</u>						
Personnel services	\$ -	\$ 135,869	\$ 135,869	\$ -	\$ 135,869	\$ -
Operating expenses	-	102,717	102,717	-	102,717	-
Other charges	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 238,586</u>	<u>\$ 238,586</u>	<u>\$ -</u>	<u>\$ 238,586</u>	<u>\$ -</u>
<u>RU08100500 - Rural Crimes Prevention</u>						
Personnel services	\$ -	\$ 135,869	\$ 135,869	\$ -	\$ 135,869	\$ -
Operating expenses	-	111,857	111,857	-	110,495	1,362
Equipment	-	-	-	-	-	-
Other charges	205,590	-	205,590	-	-	-
Totals	<u>\$ 205,590</u>	<u>\$ 247,726</u>	<u>\$ 453,316</u>	<u>\$ -</u>	<u>\$ 246,364</u>	<u>\$ 1,362</u>
<u>VB08060500 - Vertical Prosecution Block Grant</u>						
Personnel services	\$ 377,531	\$ 405,080	\$ 782,611	\$ -	\$ 303,730	\$ 101,350
Operating expenses	3,690	329	4,019	-	-	329
Equipment	-	-	-	-	-	-
Totals	<u>\$ 381,221</u>	<u>\$ 405,409</u>	<u>\$ 786,630</u>	<u>\$ -</u>	<u>\$ 303,730</u>	<u>\$ 101,679</u>
<u>VW09280500 - Victim/Witness Assistance Program</u>						
Personnel services	\$ 314,740	\$ 332,936	\$ 647,676	\$ 155,419	\$ 177,517	\$ -
Operating expenses	786	7,313	8,099	449	6,465	399
Equipment	-	-	-	-	-	-
Totals	<u>\$ 315,526</u>	<u>\$ 340,249</u>	<u>\$ 655,775</u>	<u>\$ 155,868</u>	<u>\$ 183,982</u>	<u>\$ 399</u>

NOTE 8 – CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA) GRANTS (Continued)

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2009	For the Year Ended June 30, 2010	Cumulative as of June 30, 2010	Federal Share	State Share	County Share
<u>EA09120500 - Elder Abuse Advocacy</u>						
Personnel services	\$ 56,240	\$ 47,505	\$ 103,745	\$ 47,505	\$ -	\$ -
Operating expenses	12,087	10,396	22,483	10,396	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 68,327</u>	<u>\$ 57,901</u>	<u>\$ 126,228</u>	<u>\$ 57,901</u>	<u>\$ -</u>	<u>\$ -</u>
<u>VCGC9082 - Victim Compensation and Government Claims Board</u>						
Personnel services	\$ 59,897	\$ 61,000	\$ 120,897	\$ -	\$ 61,000	\$ -
Operating expenses	225	-	225	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 60,122</u>	<u>\$ 61,000</u>	<u>\$ 121,122</u>	<u>\$ -</u>	<u>\$ 61,000</u>	<u>\$ -</u>
<u>PU09070500 - Violence Against Women</u>						
Personnel services	\$ 120,104	\$ 60,889	\$ 180,993	\$ 45,667	\$ -	\$ 15,222
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 120,104</u>	<u>\$ 60,889</u>	<u>\$ 180,993</u>	<u>\$ 45,667</u>	<u>\$ -</u>	<u>\$ 15,222</u>
<u>VS09010500 - Victim/Witness Assistance Recovery Act Program</u>						
Personnel services	\$ -	\$ 15,339	\$ 15,339	\$ 15,339	\$ -	\$ -
Operating expenses	-	2,841	2,841	2,820	-	21
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 18,180</u>	<u>\$ 18,180</u>	<u>\$ 18,159</u>	<u>\$ -</u>	<u>\$ 21</u>
<u>RV09010500 - Victim/Witness Assistance Recovery Act Program</u>						
Personnel services	\$ -	\$ 12,231	\$ 12,231	\$ 12,231	\$ -	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 12,231</u>	<u>\$ 12,231</u>	<u>\$ 12,231</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FY09 Emergency Management Performance Grant, CFDA 97.042</u>						
Personnel services	\$ -	\$ 81,756	\$ 81,756	\$ -	\$ 81,756	\$ -
Operating expenses	-	60,000	60,000	-	60,000	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 141,756</u>	<u>\$ 141,756</u>	<u>\$ -</u>	<u>\$ 141,756</u>	<u>\$ -</u>

NOTE 8 – CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CalEMA) GRANTS (Continued)

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2009	For the Year Ended June 30, 2010	Cumulative as of June 30, 2010	Federal Share	State Share	County Share
<u>FY07 Homeland Security Grant, CFDA 97.073</u>						
Personnel services	\$ -	\$ 4,677	\$ 4,677	\$ -	\$ 4,677	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	148,670	148,670	-	148,670	-
Totals	<u>\$ -</u>	<u>\$ 153,347</u>	<u>\$ 153,347</u>	<u>\$ -</u>	<u>\$ 153,347</u>	<u>\$ -</u>
<u>FY07 MMRS, CFDA 97.071</u>						
Personnel services	\$ -	\$ 730	\$ 730	\$ -	\$ 730	\$ -
Operating expenses	-	20	20	-	20	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ -</u>
<u>FY08 Homeland Security Grant, CFDA 97.073</u>						
Personnel services	\$ -	\$ 139,735	\$ 139,735	\$ -	\$ 139,735	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	459,854	459,854	-	459,857	-
Totals	<u>\$ -</u>	<u>\$ 599,589</u>	<u>\$ 599,589</u>	<u>\$ -</u>	<u>\$ 599,592</u>	<u>\$ -</u>
<u>FY08 MMRS, CFDA 97.071</u>						
Personnel services	\$ -	\$ 30,351	\$ 30,351	\$ -	\$ 30,351	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	146,172	146,172	-	146,172	-
Totals	<u>\$ -</u>	<u>\$ 176,523</u>	<u>\$ 176,523</u>	<u>\$ -</u>	<u>\$ 176,523</u>	<u>\$ -</u>
<u>FY09 Homeland Security Grant, CFDA 97.073</u>						
Personnel services	\$ -	\$ 61,814	\$ 61,814	\$ -	\$ 61,814	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	70,911	70,911	-	70,911	-
Totals	<u>\$ -</u>	<u>\$ 132,725</u>	<u>\$ 132,725</u>	<u>\$ -</u>	<u>\$ 132,725</u>	<u>\$ -</u>
<u>FY07 PSIC, CFDA 11.555</u>						
Personnel services	\$ -	\$ -	\$ -	\$ -	-	\$ -
Operating expenses	-	-	-	-	-	-
Equipment	-	256,876	256,876	-	256,876	-
Totals	<u>\$ -</u>	<u>\$ 256,876</u>	<u>\$ 256,876</u>	<u>\$ -</u>	<u>\$ 256,876</u>	<u>\$ -</u>

FINDINGS AND QUESTIONED COSTS

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010**

Section 1

Financial Statements

Summary of Auditor's Results

- | | |
|---|---------------|
| 1. Type of auditor's report issued: | Unqualified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified
not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|----------------------------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified
not considered to be material weaknesses? | Yes |
| 2. Type of auditor's report issued on compliance
for major programs: | Qualified |
| 3. Any audit findings disclosed that are required to be
reported in accordance with Circular OMB A-133,
Section 510(a)? | Yes
See items 10-01 and 10-02 |
| 4. Identification of major programs: | |

CFDA Number

Program

- | | |
|----------------------|---|
| 93.659 | Adoption Assistance,
Including ARRA Grant |
| 93.563 | Child Support Enforcement,
Including ARRA Grant |
| 93.658 | Foster Care, Including ARRA
Grant |
| 10.561 | Food Stamps – Administration,
Including ARRA Grant |
| 93.778 | Medical Assistance, Including
ARRA Grant |
| <i>CDBG Cluster:</i> | |
| 14.228 | Community Development Block
Grant |
| 14.255 | ARRA: CDBG-R Funds |

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2010**

WIA Cluster:

17.258	WIA – Adult Program, Including ARRA Grant
17.259	WIA – Youth Activities, Including ARRA Grant
17.260	WIA – Dislocated Workers, Including ARRA Grant

TANF Cluster:

93.558	Temporary Assistance for Needy Families (TANF)
93.714	ARRA: ECF for Temporary Assistance for Needy Families State Program
20.205	Highway Planning and Construction, Including ARRA Grant

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs? | \$3,000,000 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | No |

Section 2

Financial Statement Findings

None.

Section 3

Federal Award Findings and Questioned Costs

10-01

Program: Highway Planning and Construction, Including ARRA Grant Funding

CFDA No.: 20.205

Federal Agencies: U.S. Department of Transportation

Passed-through: California Department of Transportation

Award Numbers: 10-5938R

Award Year: Fiscal Year 2009/2010

Compliance Requirement: Davis-Bacon Act

Questioned Costs: \$0

Criteria:

The *June 2010 OMB Circular A-133 Compliance Supplement* requirements for Davis-Bacon Act states that contractors and subcontractors that work on construction contracts in excess of \$2,000 must pay prevailing wage rates and submit a weekly copy of the payroll and a statement of compliance (certified payroll).

**COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2010**

Condition Found:

In performing Davis-Bacon Act testwork, we noted of the 15 pay periods selected for testwork:

- 3 pay periods in which the contractor submitted the weekly certified payrolls after the grace period, 30 days after the payroll period.

Effect:

Employees of the contractors working on federally funded projects may not receive the prevailing wage rates for these pay periods since the County did not receive the payroll for timely review.

Recommendation:

We recommend the County strictly adhere to the control policies of requiring that certified payrolls be submitted in a timely manner.

Views of Responsible Officials/Corrective Action Plan:

We concur. The reason for the late submission is due to the contractor losing its payroll administrator.

Contact Information of Responsible Official:

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10-02

Program: Foster Care

CFDA No.: 93.658

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Numbers: Various

Award Year: Fiscal year 2009/10

Compliance Requirement: Eligibility

Questioned Costs: \$9,959

Criteria:

The *June 2010 OMB Circular A-133 Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individual/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program and determine whether federal program awards were made only to eligible participants.

Condition Found:

Out of the 40 case files selected for eligibility test work, we noted the following:

- 3 case files whereby the County did not have a FC 3 A Form, a mandatory component of determining eligibility.

Effect:

Ineligible participants may be receiving benefits.

COUNTY OF STANISLAUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2010

Recommendation:

We recommend that the County follow established formal policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

Views of Responsible Officials/Corrective Action Plan:

Stanislaus County has implemented several processes to ensure thorough case reviews are being conducted to address this specific discovery.

- A Policy Action Memo has been implemented to outline and define the process in regards to the FC 3 and FC 3 A.
- A check list for required documents at initial placement has been developed that includes FC 3 and FC 3 A which are required documents when Federal funds are utilized for groups and/or individuals.
- Verification of the Title IV-E eligibility determination made on the FC 3 and FC 3 A has been established as follows:
 - Documentation training on the County Use Only section of the FC 2 has been provided.
 - A resource/guideline has been developed to complement the FC 2 Documentation training and what is required by AFDC-FC eligibility standards to establish the Preponderance of the Evidence Model (POEM) of gathering and verifying an individual or groups eligibility to Title IV-E Foster Care Funds. This outline is an expectation to the Family Services Specialist (FSS) staff upon making all Title IV-E eligibility determinations and is part of a structural case review.
- 100% case review is being completed on all cases. This includes the following:
 - Title IV-E eligibility (FC 3/3 A forms and POEM verification)
 - Eligibility Facility
 - Payment Rate and Fiscal Pay Codes
 - C-IV entries

Contact Information of Responsible Official:

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**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010**

09-01

Program: Adoption Assistance

CFDA No.: 93.659

Federal Agencies: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Numbers: Various

Award Year: Fiscal year 2008/2009

Compliance Requirement: Eligibility

Questioned Costs: \$0

Criteria:

The *March 2009 OMB Circular A-133 Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individual/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program and determine whether federal program awards were made only to eligible participants.

Condition Found:

Out of the 40 participants selected for eligibility test work, we noted the following:

- 5 case files where the County failed to sign the AAP-4 Form as required for all cases after 2001. The AAP-4 Form is use for the verification of Adoption Assistance benefits.

Effect:

Ineligible participants may be receiving benefits.

Recommendation:

We recommend that the County follow established formal policies and procedures with regards to ongoing eligibility determination requirements in order to ensure that eligibility determinations are being performed within the specified timeframe and that all documents are authorized and signed. This will help ensure the accuracy of the participant data.

Views of Responsible Officials:

Although the AAP-4 Forms were not signed, there were no ineligible cases. The condition evolved from the fact that the Foster Care Unit experienced significant staff turnover in the past 18 months, including a new supervisor and four new workers. To strengthen existing procedures, the Foster Care Unit is working on a Procedures Folder that will have a check list of all required forms, given the specifics of the individual cases and programs. In addition, the unit will have a folder that provides examples and samples of all the necessary forms and how they should be completed.

A Policy Action Memo will be released regarding the above procedures in October 2009. The staff will be trained on the Policy Action Memo and the Foster Care/AAP Procedures guide.

We are also working on succession training so that the Foster Care Unit will be prepared for future staff promotions and movements.

Current Year Status:

Resolved.

**COUNTY OF STANISLAUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)
FOR THE YEAR ENDED JUNE 30, 2010**

09-02

Program: Foster Care

CFDA No.: 93.658

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Social Services

Award Numbers: Various

Award Year: Fiscal year 2008/09

Compliance Requirement: Eligibility

Questioned Costs: \$0

Criteria:

The *March 2009 OMB Circular A-133 Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individual/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program and determine whether federal program awards were made only to eligible participants.

Condition Found:

Out of the 40 case files selected for eligibility test work, we noted the following:

- 6 case files whereby the County did not have a FC 3 A Form, a mandatory component of determining eligibility.

Effect:

Ineligible participants may be receiving benefits.

Recommendation:

We recommend that the County follow established formal policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

Views of Responsible Officials:

Although there were missing FC 3 A Forms, there were no ineligible cases. System improvements will help avoid this condition in the future. C-IV, our production system, now has the FC 3 A Form built into the process of creating a Foster Care case. The process involves using a FC 3 A Form as the actual work sheet for the FC 3 A Form. We are now completing this form and imaging it into the C-IV system. To strengthen our existing procedures, the unit is working on a Procedures Folder that will have a check list of all required forms, given the specifics of the individual cases and programs. In addition, the unit will have a folder that provides examples and samples of all the necessary forms and how they should be completed.

A Policy Action Memo will be released defining the procedures in October 2009. The staff will be trained on the Policy Action Memo and Foster Care Procedures guide.

We are also working on succession training so that the unit will be prepared for future staff promotions and movement.

Current Year Status:

Please see current year finding 10-02.